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TYLER TECHNOLOGIES INCREASES MUNIS SOFTWARE PRESENCE IN TEXAS WITH THREE NEW CONTRACTS

Dallas, January 25, 2007 -- Tyler Technologies, Inc. (NYSE: TYL) announced today that it has signed three contracts to implement its MUNIS Enterprise Resource Planning (ERP) software solution for new clients in the state of Texas. Through the agreements, Tyler will provide MUNIS software and services to the McKinney and Ysleta Independent School Districts (ISDs) and the City of Southlake. Collectively, the deals are valued at nearly $3.3 million, strengthening Tyler's presence in both the school and municipal markets in the state. Each contract includes a comprehensive package of accounting software and related professional services, as well as annual maintenance and support.

Richard Peterson, Jr., president of Tyler's MUNIS division, commented, "These latest agreements are a direct result of Tyler's commitment to building on our strong presence in the state of Texas. Our extensive public sector experience has enabled us to create powerful financial management solutions that satisfy the unique needs of both schools and local governments. Implementing MUNIS will allow each of these new clients to integrate information across all facets of their operations, ultimately improving their overall efficiency."

One of the nation's 100 largest school districts, the Ysleta Independent School District educates approximately 45,000 students at 58 campuses and has more than 6,000 full-time employees. The district is located in El Paso, which ranks as the sixth largest city in Texas and twenty-first largest in the United States, with a population of nearly 600,000.

According to Richard Morales, Ysleta ISD staff accountant, the district plans to leverage MUNIS technology to maximize the effectiveness of its operations. "Ysleta Independent School District is challenged daily to be more efficient, accessible, and responsive with the data that is accessed and reported each day. In order to provide the best customer service, we need to replace our current ten-year-old system with a state-of-the-art business enterprise system. Tyler's MUNIS system will allow the district to provide increased system integration and adaptability, Web-based information, and data access from a single source point."

Located just north of Dallas in the city of McKinney, Texas, one of the fastest growing cities in the United States, the McKinney ISD has developed into one of the most rapidly expanding school districts in north Texas. The district, which serves students from pre-kindergarten through grade 12, includes 26 schools and currently has a student population of more than 21,000.

McKinney ISD will use MUNIS financial, human resource and revenue applications to meet the challenges that have resulted from its rising student population. The district has also purchased several of Tyler's enterprise tools, including Tyler Content Manager for MUNIS, which will enable it to electronically manage, store and retrieve documents. This electronic system is designed to reduce overhead costs typically associated with traditional paper-based systems.

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Through its implementation of Tyler's MUNIS financial and human resource software, the City of Southlake also expects to improve customer service. Additionally, Southlake will benefit from a variety of Tyler's enterprise tools, as well as Disaster Recovery services, which will enable the City to rapidly get its systems up and running should it experience a disaster. Jim Blag, Southlake's assistant city manager stated, "The MUNIS ERP financial management solution from Tyler Technologies appears to be a precise fit for the City of Southlake. We are confident it will increase communication and efficiency inside city hall so that our residents and business owners receive the best possible customer service."

2006 marked the 50th anniversary of Southlake, Texas, which was incorporated in 1956. This Tarrant County city has a population of nearly 25,000 and is a convenient 20 miles from downtown Dallas and Fort Worth. The city is known for its safe neighborhoods, quality schools and excellent shopping. Just minutes from both the Dallas Fort Worth International Airport and Alliance Airport, Southlake offers a charming suburban setting.

Based in Dallas, Tyler Technologies is a leading provider of end-to-end information management solutions and services for local governments. Tyler partners with clients to make local government more accessible to the public, more responsive to needs of citizens, and more efficient. Tyler's client base includes more than 6,000 local government offices throughout all 50 states, Canada, Puerto Rico and the United Kingdom. *Forbes Magazine* named Tyler one of the "200 Best Small Companies" in America in 2004. More information about Tyler Technologies can be found at www.tylertech.com.

Tyler Technologies, Inc. has included in this press release "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 concerning its business and operations. Tyler Technologies expressly disclaims any obligation to release publicly any updates or revisions to these forward-looking statements to reflect any change in its expectations. These expectations and the related statements are inherently subject to risks and uncertainties that could cause actual results to differ materially from those set forth in, contemplated by, or underlying the forward-looking statements. The risks and uncertainties which forward-looking statements are subject to include, but are not limited to, changes in competition, changes in general economic conditions, changes in the budgets and regulatory environments of the Company's customers, risks associated with the development of new products and the enhancement of existing products, the ability to attract and retain qualified personnel, and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission.

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